

# INFORMATION LETTER

## NATIONAL CANNERS ASSOCIATION

Not for  
Publication

For Members  
Only

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### Canners Not Required To Pay 'Legal Minimums'

The U. S. Department of Agriculture on February 27 issued what were called "Area 'Legal Minimums' for Processing Vegetables." These so-called area "legal minimums" were made available to N.C.A. members the following day through a Supplement to the INFORMATION LETTER. Since there appears to be misconception as to the meaning to be given to these "legal minimums" and the possible legal effect of their issuance on canner-grower price determinations, some clarification as to the meaning and effect of this USDA announcement is warranted:

The prices announced by USDA are not support prices and do not represent prices that must legally be paid to growers. The Defense Production Act requires that no price ceilings for processed agricultural commodities shall be established below levels which will "reflect" to growers the "legal minimum" prices prescribed in the Act. The statutory concept of "legal minimums," so prescribed, therefore limits the action of the Director of Price Stabilization in establishing ceiling prices, and in no sense controls the action of individual canners and growers.

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### Chemicals in Food Products

Following an organizational meeting March 6, Chairman Delaney of the House Committee to Investigate the Use of Chemicals in Food Products announced that hearings will be resumed about April 1.

The agenda has not been drawn up, but Mr. Delaney said that he plans to send a subcommittee to the Pacific Coast later in the year to study the use of chemical sprays on fruit.

Much of the hearings will be devoted to taking direct testimony on the proposed bill to give the Food and Drug Administration authority to require proof of safety before new chemicals can be used in food (see INFORMATION LETTER of February 28, page 106).

### Committees Begin Hearings on Farm Labor Supply Bills

Hearings on the Ellender farm labor supply bill, S. 984, will be held by the Senate Committee on Agriculture beginning March 13. Meanwhile, a companion measure, H. R. 3048, was introduced March 5 by Representative Poage (Tex.) and was the subject of hearings by the House Committee on Agriculture on March 8 and 9.

Both bills are designed to assist employers in obtaining foreign and offshore agricultural workers (see INFORMATION LETTER of March 3, page 130).

Robert T. Creasey, an Assistant Secretary of Labor, in testifying before the House Committee, recommended that the bill be broadened to conform more nearly with Department of Labor proposals. Under the Labor Department's recommendations, the Secretary of Labor would be authorized, if deemed necessary, to subsidize the transportation costs of not only foreign agricultural workers but do-

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### Vegetable Advisory Committee Reviews USDA Research Work

Research, service, and educational work that will stimulate efficient marketing, conserve manpower and materials, and increase production were given first consideration by the Vegetable Advisory Committee at its meeting in Washington February 26-28.

In appraising current and prospective work, the Committee reviewed the Department's entire research and service program for vegetable crops, rather than just the Research and Marketing Act segment, as has been done heretofore.

In a general statement, the Committee agreed that "Inasmuch as the results of basic research are widely applicable to problems in all sections of the United States, we recommend that the work of the U. S. Department of Agriculture be directed more specifically to fundamental research to discover basic and underlying principles, and that the general development and application of such principles be brought about largely through subse-

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### Amendment No. 5 to GCPR Further Changes Pricing

The INFORMATION LETTER of March 3 contained a brief summary of the purpose and effect of Amendment No. 1 and Amendment No. 2 to the General Ceiling Price Regulation. As that issue went to press, the Office of Price Stabilization issued Amendment No. 5, making further changes in the methods by which canners are to determine their ceiling prices. Amendment No. 5 also extends the date on or before which canners must prepare and preserve certain statements and records required under Section 16(a) of GCPR from March 1 to March 22.

Under Amendment No. 2, the provision of the general freeze order allowing ceiling prices based on the highest price at which deliveries were made during the base period was made applicable to manufacturers and wholesalers only if deliveries at that price amounted to 10 percent or more of deliveries to a class of customers. To remove any uncertainty about the method of calculating this 10 percent limitation, Amendment No. 5 makes it

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### OPS Supp. Reg. 10 Grants Price Relief on Texas Citrus

Emergency price relief for processors and canners of citrus fruit damaged by freezing weather in the Rio Grande Valley of Texas in late January and early February was granted March 5 by the Office of Price Stabilization.

The entire amount of the price increase was necessary to offset the added costs to canners in handling the damaged fruit, according to an OPS announcement accompanying the pricing order, GCPR Supp. Reg. 10.

The order allows emergency price increases based on a study of the in-

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## DEFENSE

### Statement on Draft Deferment Of Key Production Personnel

A statement on deferment of essential employees from Selective Service has been made available to the N.C.A. by Wade Hammond, a labor specialist newly appointed to be assistant to the Director of the Fruit and Vegetable Branch of PMA.

Mr. Hammond will have responsibility for labor liaison activities of the Branch. He developed the basic program and operating procedure for farm labor placement to provide for the resumption of that responsibility by the USES on January 1, 1948. He has served in the Labor Department in the handling of labor supply problems.

The informational statement follows:

"Many employers are unfamiliar with Selective Service deferment procedures and, by failing to take appropriate action at the proper time, inadvertently prejudice their rights to appeal Local Board classifications of highly essential key employees whose induction into the military establishment would be patently detrimental to the defense food production program.

"Selective Service regulations provide Local Boards with ample authority to defer a registrant whose employment is found to be necessary to the maintenance of the national health, safety, or interest. The Selective Service Act of 1948, as amended, prohibits deferments by groups or categories, and requires that each deferment granted must be given on the basis of the individual status of each registrant. Responsibility for the classification of registrants lies initially with the Local Board. Rules and regulations as prescribed by the President, under which Local Boards operate, are broad. They are not complicated nor do they confuse the issue by attempting to spell out the case of any person or group of persons.

"Any employer of civilian manpower may present in detail to the Local Board all factual matter he may wish to offer in support of any request for the deferment of any individual who is liable under the Act. The employer may present his request in writing in any manner he deems appropriate inasmuch as no special form is provided or required. If a request for occupational deferment is denied by the Local Board, the registrant or his employer, if he filed a request for deferment prior to the classification from which he desires to appeal, has the right to appeal as set forth in the Selective Service regulations. If

the Appeal Board upholds the classification given by the Local Board but, in so doing, one or more members of the Appeal Board dissent, then the appellant has recourse to the National Selective Service Appeal Board which has adequate power to act in all cases coming before it.

"It is to be observed from the information outlined above that either the registrant or his employer may request occupational deferment and, in support of such request, they are at liberty to set forth any information which they believe should be considered as indicating that the registrant's activity in essential employment is necessary to the maintenance of the national health, safety, or interest.

"In all cases it is suggested that complete information should be provided to a registrant's Local Board, and it should normally be submitted with the registrant's questionnaire or at least prior to classification action of the Local Board. This is necessary to vest in the employer his right of appeal."

### NPA Container Division

The Containers and Packaging Division of the National Production Authority is responsible for meeting requirements for containers and packaging materials for mobilization and for the civilian economy.

Under its Acting Director, Charles A. Lewis, the Division is a staff of men familiar with the requirements of the many industries concerned with the over-all problem of containers and packaging. Hugh Kelleher is special assistant to Mr. Lewis.

Following are the sections and component units which are concerned with specific finished materials, and their personnel:

**Metal Can and Fiber Can Section**—Robert J. Small, Chief; Joey Misenheimer, consultant; John D. Hess, non-food cans; Harvey P. Smith, fruit, vegetable and miscellaneous food products; Edward Jones, fish and shell fish, dairy products, and meat; Stanley McQueen, beer and pet foods.

**Glass Containers and Closures Section**—Herman B. Easelen, Chief; Harold Carr, glass; Stanley Dennis, closures.

**Paper and Paper Board Container Section**—Robert N. Mitchell, Chief; John Macleod and Walter M. Sawyer, fiber boxes; George Wilson, paper sacks and bags.

**Wood Container Section**—A. D. Zacker, Acting Chief; and E. M. Murphy.

**Metal Shipping Container Section**—Raymond Norris, Chief; Matt Sprague and Gregg Lanigan, steel drums and

pails; Clifford Collett, collapsible tubes; Glenn Carter, metal foil packages.

**Controlled Materials Plan Section**—Charles G. Hemmer.

**Plastic Container Section**—A. B. Clunen, Chief.

**Conservation Section**—Lawrence A. Dockstader, reuse of all container and packaging materials.

**Facilities and Priorities**—Wayne G. Garman.

**Container and Packaging Industry Report**—Oskar Reynolds.

### 'Legal Minimums'

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A canner may pay a grower a price below, equal to, or above the Secretary of Agriculture's announced "legal minimum." The price a canner pays his grower for canning crops remains a problem for individual canners and growers. As expressed in the USDA release, "the actual prices paid will be determined, as heretofore, on the basis of supply-demand relationships."

In negotiating his grower prices, the individual canner may be guided by his normal commercial considerations, with the added factor of existing or future price ceilings on processed agricultural commodities to be considered. In exercising an independent business judgment, the individual canner is in a better position than anyone else to evaluate his prospects for recovering in the sale of the finished product whatever prices he may pay his growers for particular raw commodities. An inescapable consideration is the future willingness of the consumer to purchase at particular price levels. In making his determinations for the present packing season, the individual canner must also take into account the ceilings that may be established by the Office of Price Stabilization for the various products he packs. At the moment, the General Ceiling Price Regulation, the freeze order of January 26, is the only applicable regulation. Its provisions, and particularly the operation of Section 11 covering adjustments for the increased cost of raw materials, have been fully set forth in the INFORMATION LETTER.

While specific price ceiling regulations are contemplated, none has yet been issued. The extent to which specific price ceiling regulations for 1951 packs will afford an individual canner an opportunity to recover the full amount of prices paid to growers cannot be determined at this time.

**Amendment No. 5 to GCPR**

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clear that the 10 percent applies to a canner's dollar volume of base period deliveries of a commodity.

Amendment No. 5 also makes clear that a higher price at which deliveries were made during the base period may be used as the canner's price ceiling if 10 percent of the deliveries made during the base period to that class of customer were made at that price or at a higher price.

Canners therefore may not determine their ceiling prices for a particular class of customers on the basis of the highest price charged during the base period to that class of customer unless 10 percent of the deliveries during the base period to that class of customer were made at or above the price selected. The General Ceiling Price Regulation, as amended by amendments No. 2 and No. 5, however, permits one general exception to this 10 percent limitation.

**Exception to 10 Percent Limitation**

In order to protect sellers who genuinely announced or put into effect price increases in the base period, Amendment No. 2 provided that the "10 percent rule" does not apply if all deliveries to a class of customers subsequent to an announcement of a price increase were made at the increased price. This was further qualified by a provision permitting a manufacturer to disregard deliveries made at lower prices subsequent to the announcement of the price increase when made pursuant to a prior firm commitment.

Amendment No. 5 makes it clear that this exception to the 10 percent rule may be availed of only if the higher price on which the ceiling is to be based was announced in writing and, further, that deliveries at lower prices subsequent to the announcement of the higher price, and pursuant to firm commitments may not be disregarded unless the subsequent deliveries were made pursuant to written firm commitments made before the price increase.

**Price Ceilings for All Classes of Purchaser Based on Deliveries to One Class**

Amendment No. 2 was also aimed at relieving certain pricing distortions, such as in cases where deliveries were made during the base period at higher prices to one or more classes of customers but not to all, thus resulting in ceiling prices under the freeze which do not represent the

normal differentials in prices among various classes of customers. Amendment No. 2 allowed a seller to charge any increase in his prices announced in writing during the base period to more than one class of purchaser, if the increase was made effective by deliveries to one or more classes of customers who together accounted for at least 30 percent of 1950 dollar sales of that commodity. When, therefore, a higher price could qualify as a ceiling price for one or more classes of customer that accounted for 30 percent of the dollar 1950 sales of that commodity, a canner could apply the announced price increase as his ceiling for all other classes of purchasers covered by the announcement.

Amendment No. 5 eliminates this 30 percent requirement with respect to sales to a given class or classes. It also removes the restriction that the announced increase must have been made during the base period.

Under the Regulation as now amended, a revised price list issued in writing either during or before the base period may serve as the basis for ceilings to all classes of customers, provided that the manufacturer qualifies deliveries to any one class of customers at the price announced in his revised price list as his ceiling price for that class of customer. The general price increase must be announced in writing and be communicated to buyers generally. Furthermore, as has been pointed out, no subsequent deliveries can be made at lower prices except pursuant to firm written commitments.

**Price Ceilings on Several Items Established by Deliveries of One or More Items**

Amendment No. 2 allowed deliveries of some items during the base period at prices on a price list issued during the base period to serve as a basis for establishing ceiling prices for all other items on the price list, even though deliveries of some of these items were not made during the base period. This provision of Section 3 permits a canner to put into effect such an across-the-board increase only when the items for which higher ceiling prices were made effective under the regulation by deliveries during the base period were ones which accounted during 1950 for at least 30 percent of the dollar sales of the commodities covered by the price list.

Amendment No. 5 has in this instance made no change in the 30 percent requirement. It does, however, remove the requirement that the price list must have been issued during the

base period. Now a revised price list issued in writing either during or before the base period may serve as the basis for ceiling prices on all items on the list.

**Recordkeeping Requirements**

The General Ceiling Price Regulation required canners to prepare and preserve certain statements and records for examination by price control officials (Section 16 of GCPR). These records were to be prepared by March 1. Canners now are permitted up to March 22 for the preparation of these records.

The ceiling prices established by Amendment No. 2 and Amendment No. 5 to GCPR became effective on March 7.

**Price Relief on Texas Citrus**

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creased costs. The order provides, in part:

"Section 1. *Emergency adjustments in ceiling prices for canned citrus juices from Texas freeze areas.* (a) *Emergency adjustments for processors and canners.* If you processed or canned grapefruit juice, orange juice, and/or grapefruit-orange juice blend during the period January 29, 1951, through March 1, 1951, exclusively, from oranges and grapefruit which were harvested during such period from the citrus fruit growing areas of Texas affected by the freezing weather conditions of January 29, 1951, through February 3, 1951, you may add to your ceiling prices for those canned juices as otherwise determined under the General Ceiling Price Regulations, the following emergency increases in cents per dozen for the following size cans:

"Size	Amount of Emergency Increase
"307 x 409.....	23.5¢ per dozen cans
404 x 700.....	52.0¢ per dozen cans
605 x 700.....	104.0¢ per dozen cans
202 x 212.....	8.5¢ per dozen cans
202 x 314.....	8.5¢ per dozen cans"

Wholesalers and retailers may increase their ceiling prices by the dollars and cents amounts of the increases resulting from the emergency adjustment.

Before a canner or processor can increase his ceiling prices, he must report to the Director of Price Stabilization, by registered mail, showing his existing ceiling prices, the number of cases, by type, grade, can size, and brand name, which he processed from fruit damaged by the freeze; and the new ceiling prices he is taking under Supp. Reg. 10.

## Résumé of Wage Stabilization Regulations

Subsequent to the general wage freeze effected on January 26, the Wage Stabilization Board has issued eight regulations relaxing and interpreting the blanket freeze. The following brief résumé of the contents of these regulations has been prepared as a guide to the current status of wage controls. For actual application of these regulations, reference should be made to the text of each.

### The General Wage Stabilization Regulation

On January 26, the Economic Stabilization Agency ordered a general freeze of all wages and salaries at the rates of compensation in effect on January 25, 1951. All employers were prohibited from paying any employee wages, salaries, or other compensation at a rate in excess of the rate prevailing on January 25, or during the period May 24, 1950, to June 24, 1950, inclusive, whichever was the higher, without the express approval or authorization of the Wage Stabilization Board. Rates of compensation for new employees were to be determined by the rates in effect on January 25, 1951, for the specific jobs for which they were hired.

### General Regulation No. 1

This first order issued by the Wage Stabilization Board made it clear that the prohibition against increases in rates of compensation applied against indirect as well as direct rate increases. Employers were prohibited from adding to an employee's compensation by increases in vacation and holiday payments, night shift and other bonuses, incentive payments, year-end bonuses, employer contributions to or payments of insurance or welfare benefits, employer contributions to pension funds or annuities, payments in kind, or overtime practices or rates. The prohibition against increases in these additional forms of remuneration does not mean, however, that the take-home pay of an individual employee can not be increased, since the rates of compensation rather than the amounts of payment are stabilized.

### General Regulation No. 2

This order effected the first relaxation of the general freeze order. It permitted wage agreements entered into prior to January 25, 1951, to be given effect, when the increased wages were, by the terms of such agree-

ments, to be applicable to work performed prior to February 11, and such agreements had been communicated to the employees before January 26. Awards of arbitrators issued before January 26 may be given like effect. Regulation No. 2 also authorized wage increases made pursuant to agreements for intra-plant adjustments when such adjustments were to be effective prior to January 25 but were not actually reflected in wage payments prior to that date.

### General Regulation No. 3

This order merely permits increases in rates of compensation whenever the existing rate conflicts with the requirements of any state or federal law fixing minimum rates for certain types of workers.

### General Regulation No. 4

Regulation No. 4 authorized increases in the rates of compensation of state, county, municipal and other nonfederal governmental employees whenever the rate of compensation of these employees is determined by statute, ordinance or regulation of such governmental bodies.

### General Regulation No. 5

This order, authorizing adjustments for individual employees, resulted in the second major relaxation of the general freeze. It permits individual employee wage or salary increases when made pursuant to a recognized system for merit or length of service increases, promotions or transfers, or new or changed jobs.

In general, Regulation No. 5 permits individual merit or length of service wage adjustments pursuant to plans in existence prior to January 25. Such individual adjustments are limited, in general, in number and amount to those effected during a like period in 1950. Promotions or transfers may serve as the basis for wage increases only when a bona fide promotion or transfer takes place. New or changed job rates must be in balance with existing wage structure.

### General Regulation No. 6

Regulation No. 6 provides an opportunity for adjustment of wages and salaries on a cost-of-living basis. It allows increases in the general wage level up to 10 percent above the level of January 15, 1950, without prior approval of the Board.

If general increases in wage and salary levels in an appropriate employee unit have been less than 10 percent since January 15, 1950, an employer is authorized to add to current rates of compensation a rate increase sufficient to bring general wage levels up to the 10 percent figure. "Fringe benefits," such as employer contributions to or payments of insurance or welfare benefits or employer contributions to pension funds or annuities, are not to be considered in determining what percentage of increase has been effected since January 15, 1950. Such "fringe benefits," however, when agreed upon in the future, must be offset against the 10 percent.

### General Regulation No. 7

This order exempts from wage control employees of religious, charitable and educational institutions. The exemption applies only to institutions exempt from federal income tax under Sections 101(5) and 101(6) of the Internal Revenue Code.

### General Regulation No. 8

Regulation No. 8 permits wage increases without regard to the 10 percent limitation when made pursuant to "cost-of-living escalator clauses" of collective bargaining agreements, i.e. contract clauses which establish a defined relationship between the rates of compensation covered by the agreement and the cost-of-living index figure published by the Bureau of Labor Statistics. To escape the 10 percent limitation, the wage contracts must have been entered into on or before January 25, 1951.

## Invitations for Bids

**Quartermaster Purchasing Office—1819 West Pershing Road, Chicago 9, Ill.; Oakland Army Base, Oakland 14, Calif.**

**Veterans Administration—Procurement Division, Veterans Administration, Wash. 25, D. C.**

The Walsh-Healey Public Contracts Act will apply to all operations performed after the date of notice of award if the total value of a contract is \$10,000 or over.

The Veterans Administration has invited sealed bids to furnish the following:

**PURPLE PLUMS—1,898 dozen No. 2 cans, water-pack (Grade B) or equivalent quantity in No. 2½ cans. Bids due by March 19 (B-100-D).**

**GRAPEFRUIT AND JUICE—27,000 dozen No. 2 cans of grapefruit segments (Grade B) and 21,000 dozen 48-oz. cans of grapefruit juice (Grade A) or equivalent quantities in other size cans. Bids due by March 19 (B-100).**

**CORN—1,250 dozen No. 10 cans, w.s., golden (Grade B) or equivalent quantity in No. 2½ and No. 2 cans. Bids due by March 20 (B-100).**

**MINT JELLY—85 dozen No. 10 cans (Grade B) or equivalent quantity in other size cans. Bids due by March 23 (B-102).**

### Waste Paper Conservation

Because of the shortage of some paperboard products, it has been suggested by waste paper dealers that canners, together with other businessmen, take steps to save all waste paper and particularly corrugated and kraft papers.

Canners may get in touch with their local waste paper dealers for price information and methods of segregation of old paper.

### Vegetable Advisory Committee

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quent work by the experiment stations and industry."

The advisory group also pointed out that, although adjustments will need to be made to fit present domestic and world conditions, the current level of financial support for basic agricultural research should not be curtailed.

Among the categories of work in the marketing field given highest priority for continuation or expansion are:

(1) Research on the storage, handling, conditioning, and quality preservation of vegetables in general; (2) improve grades, standards, and inspection work; (3) conduct further work to improve containers and methods of packaging and loading vegetables; and (4) continue research on improving merchandising and distribution practices.

Lines of work in the utilization field which the Committee believes should be given highest priority for continuation or expansion include:

(1) Develop improved equipment and special instruments for the processing, testing, handling, etc., of vegetables; (2) conduct fundamental utilization research, and (3) seek more efficient uses for vegetable byproducts and residues.

With regard to production research, the Committee recommended that the Department continue to emphasize current work on mechanization, disease and insect control, and the breeding of improved varieties of vegetables. The advisory group further recommended that the following specific new lines of production research be undertaken as soon as possible:

(1) Collect and correlate all information now available on pesticide applicators as a preliminary step toward working out basic designs for developing improved equipment for applying pesticides; (2) develop new and improved machinery for planting

and harvesting vegetables; (3) conduct fundamental research on the various strains of the anthracnose organism which attacks tomatoes; (4) develop a system for forecasting potential infestation and spread of insects; and (5) seek natural and biological means for controlling soil-borne diseases, nematodes, and insects.

Among the members of the Vegetable Advisory Committee at the meeting were J. P. Desauche, Desauche & Son, Inc., Opelousas, La.; J. P. King, Birds Eye-Snider Div., General Foods Corp., Rochester, N. Y.; O. E. Snider, Blue Lake Packers, Inc., Salem, Ore.; and R. H. Winters, The Larsen Co., Green Bay, Wis.

It was agreed that the next meeting of the Committee will be held at the USDA Western Regional Research Laboratory at Albany, Calif., where much of the utilization research on vegetables is being done.

### Call for 1951 Directory Copy

Canners are asked to examine the questionnaire forms for the 1951 *Canners Directory*, to make necessary corrections and changes, and to return these forms to the Association promptly, in the self-addressed envelope provided.

It is calculated that an earlier publication of the *Directory* will greatly benefit the industry. It will mean that the *Directory* can be placed in the hands of brokers and other marketing outlets at a time that will facilitate year-round buying of canned foods. Distribution of the 1950 edition began last June 2, a record for early publication.

Canners also are asked to advise the Association of the existence or operation of any canning firm not listed in the 1950 *Directory*.

## STATISTICS

### 1950 Pack of Green and Wax Beans

A revised report of the 1950 pack of green and wax beans has been issued by the Association's Division of Statistics.

According to the revised report, the 1950 pack of green and wax beans amounted to 20,213,355 actual cases as compared with the 1949 pack of 19,302,855 cases.

On the basis of 24/2's, the 1950 pack amounted to 19,026,000 cases of green beans and 1,933,000 cases of wax beans, a total of 20,959,000 standard cases.

The Division of Statistics also compiled the following report on canners' stocks and shipments of green and wax beans, incorporating the revised pack figures:

	1949-50 (actual cases)	1950-51 (actual cases)
Carryover, July 1.....	329,081	1,619,026
Pack.....	19,302,855	*20,213,355
Total supply.....	19,631,936	*21,832,981
Stocks, Feb. 1.....	6,599,837	7,910,157
Shipments during Jan....	2,005,308	2,927,932
Shipments, July 1 to Feb. 1.....	13,032,040	*13,915,824

\* Pack revised.

### 1950 Pack of Green and Wax Beans (Revised)

	1949 (actual cases)	1950 (actual cases)
Maine, Vermont, and Mass.....	207,149	416,751
New York.....	1,535,264	778,606
Maryland and Delaware.....	3,224,684	93,129
Pennsylvania.....	372,935	151,286
Michigan.....	605,885	273,243
Wisconsin.....	1,211,616	499,184
Iowa and Nebraska.....	747,457	.....
Kentucky and Tennessee.....	2,052,337	22,948
Ark., Mo., and Okla.....	994,872	.....
Texas.....	389,423	104,997
Utah and Idaho.....	176,763	(*)
Washington.....	459,720	.....
Oregon.....	3,250,100	(*)
California.....	715,448	3,537,870
Other states.....	941,585	80,501
U. S. Total.....	16,885,238	2,419,617
		18,235,818
		1,977,537

\* Included in Other states.

## MEETINGS

### N.C.A. Speakers Address State Association Meetings

In his first public address as President of N.C.A., Herbert J. Barnes spoke to the canners of his home state this week on the favorable retail price position of canned fruits and vegetables.

At the annual convention of the Utah Canners Association on March 8, Mr. Barnes pointed out that prices of canned fruits and vegetables have risen less since the Korean outbreak than have the prices of other foods and less than price increases in general.

Nelson H. Budd, Assistant Secretary of N.C.A. and Director of its Information Division, addressed the annual convention of the Virginia Canners Association on March 6, attacking irresponsible statements that food canners are taking a disproportionate share of the consumer's dollar at the expense of the farmer.

#### President Barnes at Utah

President Barnes explained that on June 15, 1950, immediately preceding the Korean incident, canners' prices averaged 84.9 percent of the 1948 average prices. By the time the general price freeze order was issued January 26 of this year, canned fruit and vegetable prices had increased to 93.6 percent of the 1948 average.

"The level at which canners' prices of fruits and vegetables were frozen by the Office of Price Stabilization was, on the average, about 6 percent below the 1948 level," he pointed out. "On the other hand, the average price paid to the farmer for his products was 102.1 percent of the 1948 average, according to the U. S. Department of Agriculture; and on the same date the average wholesale price of all foods, as reported by the Bureau of Labor Statistics, was 101.3 of the 1948 average."

An even greater increase was registered by items other than farm products and foods, Mr. Barnes pointed out. "These are the articles that enter generally into manufacturing costs. Their wholesale prices on January 15, 1951, stood at 113.4 percent above the 1948 level. Wholesale prices of foods and of farm products, as well as wholesale prices of manufacturers' cost items, were all higher on the average in mid-January than in 1948, but canned fruits and vegetables at

wholesale were only 93.6 percent of the 1948 price on that same date."

#### Mr. Budd at Virginia

In his address at the Virginia convention, Mr. Budd made direct answer to a recent radio statement on America's Town Meeting of the Air by Walter Reuther, in which the president of the UAW stated that of a 19-cent can of corn the farmer received only 2.75 cents and charged that "the food processors, the boys who do their farming in Wall Street, many times get more out of it than the farmer who owns the land."

Mr. Budd's figures showed that, in general, the farmer's average out of a 19-cent can of corn comes to 3.5 cents; that the canner uses an average 7.6 cents to pay for the labor of handling, trimming, sorting, cleaning, cooking and packing the corn along with buying containers, labels and shipping cases; that railroad and truck transportation of the canned corn, much of which is for labor, averages 1.5 cents; and that the wholesale and retail costs account for the remaining 6.4 cents, from which grocery clerks and other help are paid.

"The unfairness of hinting, by direct statement or by omission, that the processor takes everything the farmer doesn't get, is obvious," he said.

"We could answer Reuther in kind by charging that the difference between the cost of iron ore at the mine and the finished automobile is a profiteer's take. Such a statement would be just as unreasonable and just as unfair to the automobile industry and the labor forces of that industry as the statement he made in the broadcast is to food processors and their workers. Reuther would be the first to howl if we hinted that labor adds no value to a product, not to mention engineering, fabrication, management and other elements of service that enter into production of the motor cars we ride in," Mr. Budd asserted.

The sum paid at the grocery store for a can of food is not solely for the food in the can, he pointed out, and charged that critics of the industry fail to take into account that the housewife is paying for service at the retail counter, for transportation, for factory labor, for the container, and the label. He explained:

"The housewife demands these services and is willing to pay extra for them. Otherwise she would get her corn and tomatoes right at the farm gate.

"The dollar she spends for canned foods gives her a product already cooked under the most scientific and

sanitary of processes and with all the waste in preparation eliminated. She gets it non-perishable, in a hermetically-sealed container, storageable in a small space and available for use at any and all times. The range of sizes of cans and glass jars is such that the appropriate quantity is available for the needs of families of various numbers. The value to the consumer of these services is no longer controversial. Consumer acceptance of canned foods and the services they provide is demonstrated by the fact that from two to three billion dollars is expended by consumers annually to get them on the table."

Mr. Budd said also that farmers have found commercial canning a valuable outlet for their crops. Quoting U. S. Department of Agriculture figures, he stated that "the value of the 11 most important vegetables grown for processing, measured by the share of the consumer's dollar returned to the farmer, increased more than four times in 20 years—from \$49,000,000 in 1928 to \$214,000,000 in 1948.

"The farmers themselves have the best answer to Mr. Reuther. Because of the canning industry they are able to grow and market profitably a crop five times as large as could have been merchandized for the fresh market alone," he stated.

### Forthcoming Meetings

March 12-14—Northwest Canners Association Annual Meeting, Davenport Hotel, Spokane, Wash.

March 14-16—Tri-State Packers Association Annual Spring Meeting and Canners School, Lord Baltimore Hotel, Baltimore.

March 19—Tennessee-Kentucky Canners Association, 39th Annual Convention, Maxwell House Hotel, Nashville.

March 19-20—Canners League of California Annual Meeting, Hotel Biltmore, Santa Barbara.

March 19-22—National Canners Association, Western Branch Laboratory, Training Course in Food Plant Sanitation, City Hall, Walla Walla, Wash.

April 17-20—American Management Association, 20th National Packaging Exposition, Atlantic City, N. J.

April 19—Indiana Canners Association, Spring Meeting, Claypool Hotel, Indianapolis.

April 22-25—United States Wholesale Grocers' Association, Convention and Food Distribution Exposition, Miami Beach, Fla.

May 11—Ozark Canners Association, Spring Meeting, Severs Hotel, Muskogee, Okla.

June 3-4—Michigan Canners Association, Spring Meeting, Park Place Hotel, Traverse City.

June 27-29—National Pickle Packers Association, Midyear Meeting, Sheraton Hotel, Chicago.

October 24-26—National Pickle Packers Association, Annual Meeting, Sheraton Hotel, Chicago.

November 18-19—Indiana Canners Association, Annual Convention, French Lick Springs Hotel, French Lick Springs.

November 19-20—Pennsylvania Canners Association, Annual Convention, Penn Harris Hotel, Harrisburg.

## PUBLICITY

### Woman's Home Companion

Shortcake recipes using canned beef and gravy, tomato sauce, shrimps, chicken, mushroom soup and pineapple were pictured in color in the article, "Shortcuts to Shortcakes," by Dorothy Kirk, in the March *Woman's Home Companion*.

The author recommends mixing canned sauce or condensed soups with fish, meats and eggs for main course shortcakes, and canned fruits for dessert shortcakes.

In another article, entitled "Clams, Oysters, Shrimps," it is pointed out by Mary Crum that "you're missing many a treat if you haven't discovered minced clams in cans all ready to use. Shrimps available year round, either quick-frozen, fresh or canned, have many tempting varieties."

"Cranberry Carnival," by Helen Flynn, gives five recipes using canned cranberry sauce.

### Good Housekeeping Magazine

Canned foods are featured in several articles in the March issue of *Good Housekeeping* magazine.

In "The Changing World of Vegetables" it is pointed out that there is no need for vegetable-monotony in meals with the varied kinds on the market today—fresh, canned and frozen—and with the varied ways in which they may be prepared.

The article, by Erva J. Vosburgh and Phyllis MacDonald, says this about canned vegetables:

"Canned vegetables go from garden into cans so quickly that flavor and nutritive loss is practically nil. But be intelligent about the size of the cans you buy; the range from 8-oz. to No. 2½ cans means that you can purchase the exact amount your family needs for one meal, without any leftovers. . . You can and should stock them in advance. To be certain of getting your money's worth, buy by brand name—and read the label carefully. That's the only way to be sure of getting what you want. Always heat canned vegetables in their own liquid, to protect the nutritive value, insure full flavor."

Under the heading "Canned Fresh Vegetables" is given a list of canned vegetables and directions for heating and storing them.

Another article, "I'll Be Home for Lunch!" by Genevieve Callahan, supplies 31 menus for quick lunch suggestions and uses 30 different canned foods in these menus.

### Parents' Magazine

The March issue of *Parents'* magazine features canned tuna and canned soups in separate articles.

The "Family Food Section" pictures a Lenten meal with tuna loaf as the main dish. Blanche M. Stover, food editor, calls it the "Family Lenten Special."

"Soup in the Can Is Sauce for the Casserole," by Jean M. Whelan, describes how canned soups may be used in casseroles as "ready-made sauces with the seasonings built right in." The recipes for thrifty and easy-to-make casseroles call for canned tomatoes, red kidney beans and cream of tomato, cream of chicken, cream of celery, and onion soups.

### Canner Publications

In the February issue of *Household* magazine, a Canner publication, Christine Millar describes in an article entitled "Wintertime Jelly and Conserve" how to make wintertime jellies, jams, and conserves from water-packed fruits such as berries, cherries, peaches, and apricots, using No. 10 cans.

The March issue of *Canner's Farmer* carries an article by Lucile Smith featuring canned fish. In the article "Fish—Fresh, Frozen and Canned," the author gives seven fish recipes, including tuna salad, noodle casserole, and salmon loaf.

### The Family Circle

"Twelve o'clock—and no lunch ready? Turn to these handy canned or easy-to-cook foods," is the advice given in "Hurry-Up Home Lunches" in the March issue of *The Family Circle* magazine.

A "home-from-school" lunch features condensed cream of pea soup and canned fruits; a "dad's favorite" uses corned beef hash, mixed vegetables, and pineapple; for "mother-baby dining" a lunch is planned around baby's foods that grow up by adding a few extras and for "company's hero" lunch is built on canned asparagus, luncheon meat, condensed cream of mushroom soup, beets and sliced apples or applesauce.

Another article, "Just Right Meals for Two," suggests buying 8-oz. cans of fruits and vegetables to help provide variety in meals, and points out that there are "many open-heat-and-serve foods like Spanish rice, macaroni and cheese, baked apples, steamed puddings."

### Woman's Day Magazine

"Much of the work has been done for you when you use fish fillets, packaged mixes, and canned or frozen vegetables and fruits," according to "Fish Dinners without Fuss," in the March *Woman's Day* magazine.

Glenna McGinnis gives directions for six easy menus using these foods, and each menu is illustrated by photograph. Included in the menus are canned beets, onions, asparagus, pimientos, vegetable juice cocktail, tomato soup, vegetable soup, and cherries.

### True Story Magazine

The March issue of *True Story* magazine features canned foods in three articles.

A full-page color photograph accompanies "What You Can Do with a Can of Tomatoes," which gives five recipes. The article states, "Canned tomatoes appear on every food order. . . Those canned whole have such delicious flavor, color and texture that they deserve extra cooking care."

Canned pitted tart red cherries are featured in "Canned Cherries Give Bright Flavor." Four recipes are shown in black-and-white photographs.

"Four New Easy Recipes for Lent" features recipes for Shrimp Jambalaya using canned shrimp; tuna pilaf using tuna and condensed tomato soup; and ham and potato bake using condensed celery soup.

## PERSONNEL

### Larsen Co. Appoints Kouba

The Larsen Company announces the appointment of Carl W. Kouba as sales manager, effective February 1. Mr. Kouba is well known in the canning industry, having formerly been treasurer and sales manager of the Iowa Canning Company.

### Associated Independent Canners

Associated Independent Canners, Inc., elected the following as its first set of permanent officers:

President—E. H. Dunlap, Plymouth Canning Co., Plymouth, Ind.; vice presidents—Gerald J. Hipke, A. T. Hipke & Sons, New Holstein, Wis., and G. Bartol Silver, Charles B. Silver & Sons, Havre de Grace, Md.

## Frank Vorhes, Jr., Appointed Chief of FDA Food Division

The appointment of Frank A. Vorhes, Jr., as Chief of the Division of Food in the Food and Drug Administration was announced March 7 by the Federal Security Administrator. Mr. Vorhes succeeds the late Dr. Ward Benjamin White, who died Feb. 24.

As Chief of the Division of Food, Mr. Vorhes will be responsible for directing the staff food chemists in devising chemical procedures for use by the FDA in enforcing the Federal Food, Drug, and Cosmetic Act. The Division of Food also participates in formulating food standards.

Mr. Vorhes has served in Washington since 1948 as chief chemist of the Division of Field Operations of FDA. He has been employed by the FDA since completion of his chemical training at the University of California in 1928.

Mr. Vorhes served, from 1931 to 1934, in the laboratories of the Division of Food, where he was engaged in the development of improved chemical methods for detecting food adulteration. From 1934 to 1947, he was stationed at the FDA laboratories in San Francisco.

## New Association Members

The following firms have been admitted into membership in the N.C.A. since January 27, 1951:

CALIFORNIA FANG-PAK, INC., P. O. Box 5345, Los Angeles 55, Calif. Products—Apple nectar, apricot nectar, boysenberry nectar, citrus cocktail, date juice, fig juice, grape nectar, lemon juice, lime juice, orange juice, orange and grapefruit juice blended, papaya nectar, peach nectar, pear nectar, pineapple nectar, plum nectar, pomegranate nectar, prune juice, raisin juice, sauerkraut juice, vegetable flakes, vegetable powders. Officers—John W. Wallace and E. Irwin Wallace.

J. W. FURMAN'S CANNERY, Northumberland, Pa. Products—Green beans, wax beans, lima beans, beets, carrots, corn, kidney beans, peeled and deveined vegetables. Officer—Foster Furman, general manager.

B. G. R. JOURDAN & SON, Darlington, Md. Products—Tomatoes. Officers—B. G. R. Jourdan and Walter B. Jourdan, partners.

KLAUOCK OCEANSIDE PACKING COMPANY, 611 American Bldg., Seattle 4, Wash. Factory—Klauck, Alaska. Product—Salmon. Officers—Samson Nickerson, president; Arthur Demarest, secretary; Richard Carle, Sr., treasurer.

TOM Lazio FISH COMPANY, INC., 4 C St., Eureka, Calif. Products—Albacore, crabmeat, salmon. Officers—Tom G. Lazio, president; Stephanie Cincotta, secretary; Annette Lazio, vice president; Angelo G. Intersimone, general manager.

SALT LAKE MACARONI COMPANY, 573 W. 2nd South, Salt Lake City, Utah. Products—Chicken with noodles, spaghetti in tomato sauce and cheese. Officers—Earl C. Boardman, manager.

THE F. H. SNOW CANNING CO., INC., Old Orchard R.R.D. No. 1, Pine Point, Me. Factories—Pine Point, Me., Wildwood, N. J. Products—Clam chowder, minced clams, chopped clams, clam cakes, fish chowder, lobster New-

burg, pea soup, Welsh rarebit. Officers—Fred H. Snow, president; Harold F. Snow, vice president; Cora M. Snow, treasurer.

WINCKLER & SMITH CITRUS PRODUCTS COMPANY, 408 S. Atchison St., Anaheim, Calif. Products—Bases and concentrates, citrus cocktail, grapefruit juice, orange juice, orange and grapefruit juice blended. Officers—Nicholas J. Winckler, president; Arthur D. Pedlar, secretary.

RICHARD WOELFFEL, Cupertino, Calif. Factory—Monta Vista, Calif. Products—Tomato pulp or puree, prunes, prune juice. Officers—Richard Woelfel and B. Woelfel.

## Virginia Canners Association

The Virginia Canners Association elected the following officers this week at the association's annual convention:

President—S. G. Wimmer, S. G. Wimmer & Sons, Christiansburg (re-elected); vice president—C. D. Price, Riverdale Canning Co., Stanley (re-elected); and secretary-treasurer—E. S. Marshall, E. S. Marshall Co., Roanoke.

## Dr. H. L. Haller Appointed

Dr. H. L. Haller, USDA scientist with an international reputation in insecticides, has been appointed Assistant Chief of the Bureau of Entomology and Plant Quarantine in charge of insecticides and chemical problems relating to insect pest control. Dr. Haller has been special assistant to the Chief of the Bureau, Avery S. Hoyt, since 1947.

## Form Labor Supply Bills

(Concluded from page 141)

domestic workers as well. In the course of the examination of the Labor Department representative, the Assistant Secretary said the Department would be willing to omit from its measure any provision for transportation for families of domestic workers. He insisted, however, that any benefits provided to foreign workers by legislative action should be made available to domestic workers.

Robert C. Goodwin, Director of the Bureau of Employment Security in the Department of Labor, reviewed the labor market situation. He forecast agricultural employment at approximately 15,000,000 at the height of the coming season. Although wage differentials between agricultural and industrial employment are not as great as they were at the start of World War II, Mr. Goodwin said that higher industrial wage rates are drawing labor away from agricultural employment. He expressed a hope that agriculture will increase its use of Puerto Rican workers but, in addition, he said, there will be a need for a substantial number of foreign workers. Mr. Goodwin pointed out that the supply of Puerto Rican workers will not meet the employment problems in all areas.

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